



CONSUMER AND COMMUNITY RELATIONS DIVISION: 2005 CONSUMER OPINION SURVEY

EXECUTIVE SUMMARY REPORT JANUARY 2006

This Executive Summary Report describes the key results from both phases of the 2005 Consumer Opinion study conducted by Aurora Research Group for the California Department of Consumer Affairs' Consumer and Community Relations Division in the Fall of 2005. Phase 1 consisted of 1,000 completed interviews with a statewide representative sample of California consumers and results are considered accurate to within +/- 3.1%, nineteen times out of twenty. In Phase 2, over 300 interviews were conducted with respondents from each of three underserved populations (Spanish-speaking, senior, and low-income). Differences between the statewide and the underserved populations are also discussed.

Overall Awareness and General Impressions

Phase 1: Seventy-six percent (76%) of all respondents statewide were aware of the DCA. Among these, 78% rated it positively, overall.

Phase 2: Awareness of the DCA was significantly lower among the three underserved populations compared with the statewide sample (69% among seniors, 68% among low-income respondents, and 57% among Spanish speakers). In addition, awareness in the Spanish-speaking group was significantly lower than in the other two underserved groups.

Impressions among subgroups were also significantly less positive than statewide impressions (67% among seniors, 71% among low-income respondents, and 69% among Spanish speakers).

Effectiveness of DCA

Phase 1: Among the statewide group of respondents willing to evaluate how well the DCA meets its service mandates, the majority, 82%, rated it as effective in *serving the interests of California consumers* and 79% said it was effective in *addressing consumer fraud or abuse*. The DCA can continue to build upon these perceived strengths.

Phase 2: Among the three subgroups, the DCA was consistently perceived to be the most effective in *serving the interests of California consumers*, although the Spanish-speaking group rated it as significantly less effective at 75% than the statewide sample (82%). Spanish-speaking respondents were also more critical of how the DCA *addresses consumer fraud and abuse* at 67% than statewide respondents (79%).



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First Heard about DCA

Phase 1: Statewide respondents first heard about the DCA mainly through the *media* and by *word of mouth*.

Phase 2: Spanish-speaking respondents were more likely to have first heard about the DCA via *television and radio*; seniors first read about it in a *newspaper*, and, while low-income respondents were most likely to have first heard about the DCA via *television and radio*, they were more likely than any other underserved group to have mentioned *word of mouth*.

Types of Consumer Problems

Phase 1: All consumer issues discussed were considered serious by at least 77% of statewide respondents; however, *identity theft, including debit and credit card fraud*, topped the list of concerns, with 83% rating it a “very serious” problem for California consumers. The next most serious issue was *telephone, telemarketing, sweepstake or Internet scams*; followed by *false or misleading advertising*. The largest group of respondents volunteered the *price of gasoline* as a serious concern not mentioned in the survey.

Phase 2: Among all three underserved respondent groups, *identity theft* was the main consumer concern, with at least 80% rating it “very” serious. Spanish-speaking and low-income respondents were significantly more likely than senior and statewide respondents to rate the following concerns as “very” serious:

- *tenant-landlord disputes*,
- *automobile-related problems*, and
- *real estate fraud*.

In addition, all three underserved groups were significantly more likely than statewide respondents to believe *false or misleading advertising* was a “very” serious concern for California consumers. The *high price of gas* was again the most commonly cited additional consumer concern.

Personal Experience with Consumer Problem

Phase 1: In terms of personal experience, 39% statewide respondents reported having experienced at least one consumer problem in the last two years. Among statewide respondents, *identity theft* was the most frequently experienced problem. Other consumer problems were *automobile-related* and *telemarketing scams*. Fifty percent of all consumer problems involved a financial loss -- the majority of which involved sums of \$1,000 or less.

Phase 2: Personal experience was significantly lower among the underserved groups compared with the statewide sample, although low-income (33%) and senior (28%) respondents reported significantly more problems than Spanish-speaking respondents (19%).

Overall, *identity theft* was the most common problem that underserved respondents experienced; however, there were differences in terms of the types of the other consumer problems experienced:

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- Spanish-speaking respondents had more automobile-related problems (29%) than senior respondents (13%), yet were less likely (5%) to experience *unsatisfactory construction or contractor work* than respondents statewide (15%).
- Among low-income respondents, *identity theft* (30%) occurred less frequently than among statewide respondents (43%); however, the likelihood of *tenant-landlord disputes* was much greater (18%) than among senior and Spanish-speaking respondents (both 6%).
- For senior respondents, as previously mentioned, *automobile-related problems* were less common than among Spanish-speaking and there were fewer *tenant-landlord disputes* than among low-income respondents.

Consumer problems resulting in a financial loss were reported more often by Spanish-speaking (72%) and low-income (63%) respondents than by senior (39%) and statewide respondents (50%).

Core Service Issues

Phase 1: Looking at the total number of consumer problems, the core service issues were evenly split between *poor quality of service* and *loss of personal information*.

Phase 2: The largest group of Spanish-speaking (30%) and low-income (41%) respondents identified *poor quality of service* as the main core service issue; however, 42% of senior respondents said it was *something else*.

Preferred Communication Channels and Outreach Tools

Passive Communication Strategies: (DCA initiated)

Phase 1: The top three passive communication preferences among statewide respondents were *newspaper articles*, *radio announcements*, and *public access cable TV*. The DCA should continue its outreach efforts using these media. (The least-preferred method of receiving information from the DCA was through e-mailed updates.)

Phase 2: Like the statewide sample, the most preferred passive communication channels were *newspaper articles*, *radio announcements*, and *public access cable TV* and the addition of *newsletters*. However, there were differences in communication preferences among the underserved groups:

- Spanish-speaking respondents were significantly more likely than statewide respondents to rate each of the seven passive communication channels as effective.
- Additionally, assuming the communication was in Spanish, they gave higher effectiveness ratings for *newspaper articles*, *radio announcements*, *informational pieces on public access cable TV*, *workshops on specific topics*, and *e-mailed updates* than senior and low-income respondents.

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- Finally, the effectiveness of *brochures* was rated higher by Spanish-speaking respondents than by those 65 years or older.
- Low-income as well as Spanish-speaking respondents rated *newsletters mailed to the home* and *workshops* significantly more effective than statewide and senior respondents.
- Radio and e-mailed updates were considered to be significantly less effective among senior respondents than among statewide respondents.

Active Communication Strategies: (consumer initiated)

Phase 1: Respondents in general preferred *active* communication channels, whereby the consumer has to initiate contact and reach out to the Department. Over 70% of respondents statewide rated *accessing the DCA website, the online customer complaint form, and calling a toll-free number* as effective tools.

Phase 2: The most preferred active communication channel among the underserved groups was the *toll-free telephone* number, although Spanish-speaking respondents were significantly more likely than senior and statewide respondents to consider it effective.

The *DCA website* and *online access to a complaint form* were both less appealing to Spanish-speaking, senior, and low-income respondents than to statewide respondents.

Contact with the California Department of Consumer Affairs

Phase 1: Only 12% of all statewide respondents made actual contact with the Department of Consumer Affairs within the past two years, either by accessing its website or by calling its toll-free telephone number.

Phase 2: The vast majority of senior (95%), Spanish-speaking (93%), and low-income (91%) respondents had not called the DCA or visited its website. The level of contact among Spanish-speaking (7%) and senior (5%) respondents was significantly lower than among statewide respondents (12%). Low-income contact with the DCA at 9% was not different from either the statewide or the other underserved groups.

Suggestions for Improvement

Phase 1: Statewide respondents suggested that the California Department of Consumer Affairs could serve them better by *increasing its visibility* using “whatever tools are most effective to get the word out.” This could include outreach, advertising, and publicity. Specific suggestions are listed in the report.

Phase 2: In general, suggestions on how the DCA can better serve the underserved populations paralleled those suggested by statewide respondents.

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Future Likelihood of Contacting the Department of Consumer Affairs

Phase 1: Over 80% of all statewide respondents said they would be likely to contact the California Department of Consumer Affairs for help or information in the future.

Phase 2: Spanish-speaking, senior, and low-income respondents will also be likely to contact the Department of Consumer Affairs when they next have a consumer problem and need help or information – indicating that the DCA is effective in serving California's diverse population.

In fact, the likelihood of contacting the DCA in the future was significantly higher among Spanish-speaking respondents than among statewide respondents.

As the Department of Consumer Affairs increases its outreach efforts to Spanish-speaking (and other non English-speaking) consumers in California, it should be prepared to communicate with these consumers in their own language by employing bilingual customer service representatives in the DCA call center and providing culturally-sensitive translations for television and radio announcements as well as for written articles, brochures and documents, including the online complaint form.